- Some sugar mills were withholding the sale of dismantled first and second buffer stocks in the months of July and August, 2008 in the expectation of further increase in sugar prices in the month of September 2008.

The Central Government took the following steps to check any further rise in sugar prices.

- Released additional quota of 5 lac tons of non-levy sugar – 2 lac tons for August, 2008 and 3 lac tons for September, 2008 to enhance availability of non-levy sugar in the market; and
- Vide order dated 15th July, 2008 directed sugar factories to file monthly return on sale/dispatch of dismantled buffer stocks with the Directorate of Sugar; and
- *Vide* order dated 8th September, 2008 decided to convert any unsold/undespatched stocks out of dismantled first and second buffer stock and unsold/undespatched normal monthly quota which were required to be sold/dispatched by 30th September, 2008, into levy sugar.

As a result of the steps taken by the Government, sugar prices moderated from the last week of August, 2008 as indicated in the table above.

Rice quota for Kerala

54. SHRI K.E. ISMAIL: Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether it is a fact that Government has decided to stop rice quota for the Above Poverty Line (APL) families in Kerala from August to December, 2008; and

(b) if so, the details thereof and the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI KANTILAL BHURIA): (a) and (b) No, Sir. Presently the State of Kerala is being made monthly allocation of 28,833 tons of foodgrains (17,056 tons rice and 11,777 tons wheat) for APL category. Allocation of APL rice to Kerala during 2008-09 is based on average offtake of 2006-07 and 2007-08.

Under the Decentralised Procurement (DCP) system, the Government of India has entered into an MOU with some of the States including Kerala in order to increase the procurement of food grains to the maximum level, ensure MSP to farmers and to enable the State Governments to distribute locally procured rice and wheat to the maximum extent in their respective States. Under the above arrangement, Kerala Government agencies carry out procurement of rice in the State and report to Food Corporation of India (FCI) the quantities of rice procured by them for the Central Pool. Some of the rice procured by the State Government is handed over to the FCI and the rest is kept by the State Government with itself as part of the Central Pool stock on behalf of Government of India to be lifted against TPDS allocations.

The Kerala Government kept with it a quantity of 83,000 tons of rice as part of the Central Pool against a total of 1.68 lakh tons of rice procured in KMS 2007-08 under the above mentioned arrangement and informed that this would not be lifted against the TPDS allocations. Since the above quantity of rice belonging to the Central Pool was available with the State Government of Kerala, the Government of India requested the State Government to lift its monthly APL allocations (of 17,056 tons) from August to December 2008 from out of the above rice stock of 83,000 tons held by it as part of Central Pool. Hence, it is not correct to say that the Central Government has stopped APL rice allocation to Kerala or has reduced its quota.

In addition, the Government of India has issued an additional adhoc/festival allocation of 50,000 tons of rice and 20,000 tons of wheat from May 2008 onwards.

Besides, the Government has also released in September 2008 a quantity of 60,000 tons of wheat under Open Market Sale Scheme (OMSS) to the State for September and October 2008 for distribution to retail consumers and another quantity of 60,000 tons of wheat in October 2008 foe sale to bulk consumers in the State for October and November 2008.

Selling of wheat in the open market

†55. SHRI SHIVANAND TIWARI:
DR. MURLI MANOHAR JOSHI:

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether it is a fact that Government has taken a decision to sell nine lakh tonnes of wheat in the open market in the country;

(b) if so, the details thereof and the quantity of wheat to be sold, month-wise;

(c) the reasons why Government took such decision; and

(d) the sale price of wheat announced by Government?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI KANTILAL BHURIA): (a) to (d) To check inflationary trends in food economy, Government has decided to release upto 10 lakh MT of wheat to State/UTs Governments under Open Market Sale Scheme (Domestic) [OMSS(D)] for distribution to household consumers and small processors during the month of September and October, 2008. In addition to above, 8.4 lakh MTs wheat has also been allocated by Government for sale to bulk consumers through open tenders by FCI during October and November, 2008. Details of State-wise allocation and rates are given in the Statement.

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†Original notice of the question was received in Hindi.